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1982 B/PAA SALARY/JOB SURVEY

Business · Professional
Advertising Association
205 East 42nd Street New York, NY 10017

Non-member price: $10.00

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I. BACKGROUND

Since 1968, the Business/Professional Advertising Association has conducted periodic studies of remuneration and budget data of the organization's membership.

These studies showed that salaries for members were considerably above national averages for all workers and higher than most other white collar jobs.

In April of 1982, a fifth study was conducted. This report details the findings from this latest study in light of prior findings so that comparisons may be made.

II. METHODOLOGY

In April of 1982, B/PAA mailed a questionnaire to 3660 international members. This represented all personnel within membership categories of advertisers, advertising agencies and publications.

Number mailed	3660	100%
Number of usable returns	1289	35%

	Mailed	Returned	%
Advertiser	1552	574	37%
Agency	1050	407	39
Publisher	1058	308	29

All questionnaires were edited, coded and analyzed by Business Marketing Services.

The data was keypunched, 100% key verified and cleaned for keypunch and logic errors by computer.

III. FINDINGS

General Salaries

TABLE 1

BASE SALARY
—Median—

	1982	1980	1978	1968	% Increase 1968-82	% Increase 1980-82
Total BPAA	$37,900	$33,300	$27,800	$15,200	149%	14%
Advertisers	35,600	30,800	25,600	18,700	90	16
Agency	40,500	34,200	28,700	17,700	129	18
Publishing	39,200	39,700	33,200	17,800	120	-1

Median base salaries of B/PAA members increased by 14% between the 1980 and 1982 studies. Since 1968 median salaries have more than doubled.

Salaries by Geographic Areas

TABLE 2

MEDIAN SALARY BY GEOGRAPHIC AREAS

Geographic Areas	1982	1980	1976	1968	% Increase 1968-82	% Increase 1980-82
New England	$39,000	$33,000	$28,300	$15,700	148%	18%
Middle Atlantic	40,600	34,400	25,000	15,500	162	18
South Atlantic	35,700	30,000	28,400	15,600	129	19
East North Central	37,900	34,300	28,600	15,300	148	10
East South Central	30,000*	*	27,500	*	*	*
West North Central	35,700	30,000	24,000	13,600	163	19
West South Central	36,800	33,100	24,700	14,600	152	11
Mountain	33,600*	*	28,300	14,700	129	*
Pacific	36,400	29,700	24,000	14,300	155	23
Canada	34,400*	31,900	25,300	14,700	134	8

*Sample under 50, figure not reported in earlier studies.

Geographic Areas
New England—ME, NH, VT, MA, RI, CT
Middle Atlantic—NY, NJ, PA
South Atlantic—DE, MD, DC, VA, WV, NC, SC, GA, FL
East No. Central—OH, IN, IL, MI, WI
East So. Central—KY, TN, AL, MS
West No. Central—MN,IA,MO,ND,SD,NE,KS
West So. Central—AR, LA, OK, TX
Mountain—MT, ID, WY, CO, NM, AZ, UT, NV
Pacific—AK, WA, OR, CA, HI
Canada—All provinces

Members working in the Middle Atlantic States have the greatest median salaries ($40,600) followed closely by those in the New England States ($39,000). The members from the East South Central States, Mountain and Canadian areas have the lowest median salaries ($30,000-$34,000). Over the past two years median salaries in the Pacific states have risen the fastest.

Additional Compensation

TABLE 3

ADDITIONAL COMPENSATION

	Advertisers 1982	Advertisers 1980	Agency 1982	Agency 1980	Publication 1982	Publication 1980
No Additional Compensation	42%	41%	18%	21%	19%	26%
Receives Additional Compensation	57	57	80	78	79	71
No Answer	1	2	2	1	2	3
Median (in thousands)	$4.0	$3.3	$5.8	$5.5	$13.4	$7.3

Eight out of ten members working for agencies or publishers

receive some sort of additional compensation (in addition to their salaries). Less than six out of ten advertiser members receive additional compensation.

With this additional compensation, publisher members rank highest in *total* income of the three groups.

Age Factors

TABLE 4

SALARY BY AGE

	1982	1980	1978	1968	% Increase 1968-82	% Increase 1980-82
Over 60	$42,000	$38,100	$31,300	$19,400*	116%	10%
50-59	43,600	37,500	32,000	17,200	153	16
40-49	42,700	36,900	30,600	17,100	150	16
30-39	34,100	30,700	25,100	14,400	137	11
25-29	25,000	23,700	18,900	11,200	123	5

*Base unstable

Median salaries increased the greatest in the 40-59 age group (16%) over the past two years.

Member Age

TABLE 5

MEMBER AGE
—Median—

	1982	1980	1978	1968
Total BPAA	43	44	42	42
Advertisers	43	42	42	41
Agency	44	44	41	43
Publishing	43	45	44	42

The median age of B/PAA members is 43 years. This remains fairly consistent with past studies.

Length of Time With Firm

TABLE 6

MEDIAN YEARS WITH PRESENT COMPANY

	1982	1980	1978	1968
Total	6.6	7.3	7.8	5.8
Advertisers	7.1	8.1	8.3	6.3
Agency	5.8	5.7	7.0	6.0
Publishing	6.6	7.8	7.3	5.8

Members' length of time with their present firms is somewhat lower in 1982 versus 1980, with the exception of agency members.

Salaries by Membership Segment

TABLE 7

MEDIAN INCOME (ADVERTISERS)
BY SIZE OF COMPANY'S ADVERTISING EXPENDITURES

	Median Salary		Percent of Total	
	1982	1980	1982	1980
Total	$35,600	$30,800	574=100%	535=100%
$5,000,000 or over	45,300	39,200	8	6
$3,000,000-4,999,999	43,600	38,500	7	6
$1,000,000-2,999,999	40,700	33,700	29	25
$500,000-999,999	34,300	29,500	20	21
$100,000-499,999	30,900	27,700	30	32
Less than 100,000	28,300	25,400	5	6
No Answer			1	4

As might be expected, median salaries tend to rise with advertising expenditures. Since 1980, median salaries have risen about 16%. The greatest increase has been among those advertisers with company ad budgets between $1 million and $3 millon (21%).

Advertising Agencies

TABLE 8

MEDIAN SALARIES—ADVERTISING AGENCY MARKETS

	Median		Percent of Total	
Agency Billings	1982	1980	1982	1980
Total	$40,500	$34,200	402=100%	369=100%
Billings over $50MM	42,000	38,100*	10	12
$10MM-$49,999,999	39,400	33,700*	26	27
$5MM-9,999,999	44,500	36,300	14	15
$1MM-4,999,999	43,100	35,200	35	32
Less than 1MM	32,800	30,000	15	14

*Estimated due to revised bracketing

Median salaries are highest among the $5-$10 million agencies with an increase of 23% since 1980. Following close behind are salaries in the $1-5 million agencies with an increase of 22%.

Percent Increase in Billings Over Past 5 Years

TABLE 9

PERCENT INCREASE/DECREASE IN BILLINGS—PAST 5 YEARS

	1982		1980	
BASE	407 = 100%		369 = 100%	
Increased	371	91	340	92
Same	18	4	15	4
Decreased	11	3	7	2
No Answer	7	2	7	2
Increased less than 20%	8%		7%	
Increased 20%-49%	25		31*	
Increased 50%-99%	20		14*	
Increased 100% or more	32		29	
No Answer	15		19	

*Estimated break-out due to category differences in 1980

Better than nine out of ten agency executives indicated that their billings had increased over the past five years. 32% said the increase had been over 100%. This compares with 29% in 1980 who stated the increase had been over 100%.

Advertising Appropriations Over Past 5 Years

TABLE 10

PERCENT INCREASE/DECREASE IN ADVERTISING APPROPRIATIONS—PAST 5 YEARS

	1982		1980	
BASE	574 = 100%		535 = 100%	
Increased	431	75	398	74
Same	107	19	79	15
Decreased	34	6	37	7
No Answer	2	*	21	4
Increased less than 20%	62%		57%	
Increased 20%-49%	25		23*	
Increased 50% or more	7		12*	
No Answer	6		8	

*Less than ½ of 1%

*Estimated break-out due to category differences in 1980

Seventy-five percent of the advertisers have increased their budgets in the past five years; most increases were under 20%.

Anticipated Increase in Advertising Expenditures Over Next 2 Years

TABLE 11

ANTICIPATED INCREASE IN ADVERTISING EXPENDITURES OVER NEXT 2 YEARS

	TOTAL		GEOGRAPHIC AREAS							
		N.E.	M.A.	S.A.*	ENC	WNC*	WSC*	MTN*	PAC	CAN*
BASE	431	52	76	26	88	32	40	16	70	12
PERCENTAGE	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Less than 20%	62%	67%	61%	58%	69%	66%	65%	50%	51%	50%
20-29%	20	19	24	15	16	19	15	19	26	25
30-49%	6	4	3	8	7	3	5	6	10	8
Over 50%	6	6	5	8	3	6	10	19	9	—
No Answer	6	4	8	12	5	6	5	6	4	17

*Sample under 50

More than half of the companies contacted expected increases of less than 20% in the next two years. The Pacific and Mountain states appear to show the greatest potential, with nearly half expecting an increase of more than 20%.

Advertiser Perception of Increases in Personnel Over Next 2 Years

TABLE 12

ADVERTISER PERCEPTION OF INCREASE IN PERSONNEL OVER NEXT 2 YEARS

	TOTAL	GEOGRAPHIC AREAS								
		N.E.	M.A.	S.A.*	ENC	WNC*	WSC*	MTN*	PAC	CAN*
BASE	574	64	112	33	129	37	57	19	82	19
PERCENTAGE	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
No Increase	49%	42%	59%	36%	58%	54%	35%	47%	29%	63%
Less than 10%	3	2	1	6	3	3	7	-	2	5
10-19%	12	16	12	6	15	8	14	11	11	11
20-29%	19	27	13	30	14	24	21	5	27	5
30-49%	4	3	3	9	1	3	7	5	5	5
50-99%	8	8	7	6	4	-	11	26	16	-
100% or more	3	3	3	3	2	5	4	5	7	5
No Answer	2	-	3	3	3	3	2	-	2	5

*Sample under 50
Columns do not always total 100% due to independent rounding

Half the advertiser respondents see no increase in their departments in the next two years.

Advertiser Breakdown of Current Expenditures

TABLE 13

ADVERTISER BREAKDOWN OF CURRENT EXPENDITURES

	Use 1982	Avg. Percent of Budget
Trade Publications	72%	35.4%
Trade Shows & Exhibits	65	12.8
Company Catalogs	62	18.8
Direct Mail	53	6.6
Publicity	45	4.4
Slides & Movies	39	3.2
Directories	30	1.8
Production	28	3.9
Dealer Aids	22	2.4
Research	21	1.0
Internal House Organs	18	1.3
Specialty Advertising	18	1.1
External House Organs	15	1.4
Video Tape	9	.6
Newspapers	7	1.5
Consumer Magazines	6	1.4
Spot Radio	5	.4
Spot TV	3	.6
Farm Publications	2	.2
Network TV	2	1.1
Outdoor Transit	1	—

Most advertisers continue to put the bulk of their advertising dollars into trade publications, catalogs and trade shows.

Publication Field Covered

TABLE 14

PUBLISHING MEMBERS

BASE	308
PERCENTAGE	100%
Manufacturing	51%
General Industry/Business	17
Services	11
Mining	9
Construction	7
Transportation	3
Retail	2
Finance	2
Public Administration	2
Agriculture	1
All Others	6
No Answer	6

Total exceeds 100% due to multiple answers

Most publishing members, as can be expected, represent magazines in the manufacturing area.

Current Job Designation

TABLE 15

CURRENT JOB DESIGNATION

ADVERTISERS	
BASE	574
PERCENTAGE	100%
President/Owner	1%
V.P./Executive V.P.	2
Director Advertising	17
Director Marketing	3
Manager Advertising	69
Sales Manager	1
Media Executive	1
All Others	5
No Answer	1
AGENCY	
BASE	407
PERCENTAGE	100%
President/Owner	39%
Executive V.P.	10
V.P.	22
Account Executive	13
Media Executive	5
Account Supervisor	8
All Others	3
PUBLISHERS	
BASE	308
PERCENTAGE	100%
President/Owner	5%
V.P./Executive V.P.	7
Director Advertising	1
Director Marketing	3
Manager Advertising	5
Sales Manager	8
Publisher	10
Regional Manager	19
District Manager	29
Salesperson	8
All Others	4
No Answer	1

Advertiser members are primarily manager level advertising. Agency members are top agency management while publishing members are represented by senior sales executives.

Years in Present Position

TABLE 16

YEARS WITH PRESENT TITLE

	Total		Advertisers		Agency		Publications	
	1982	1980	1982	1980	1982	1980	1982	1980
Base	1289	1208	574	535	407	369	308	304
Percentage	100%	100%	100%	100%	100%	100%	100%	100%
Under 1 year	16%	15%	16%	16%	17%	17%	14%	10%
1-2 years	28	26	31	28	25	27	25	21
3-4 years	23	22	23	23	25	22	21	21
5 years or more	33	37	29	33	33	34	40	48
No answer	*		1					

*Less than ½ of 1%

Thirty-three percent of BPAA members have been in their present position for five years or longer. As in 1980, the Publication members show a longer association with their present title (40% have held the same title for five years or longer).

Members' Operating Areas

TABLE 17

MEMBERS OPERATING AREA

	Total	Advertiser	Agency	Publication
Base	1289	574	407	308
Percentage	100%	100%	100%	100%
Communications	53%	67%	54%	23%
Sales Promotion	43	53	37	32
Marketing	40	39	45	34
Public Relations	30	36	33	16
Management	29	24	41	22
Marketing Research	24	21	28	24
Merchandising	11	12	11	10
Sales Training	11	11	7	16
Sales Management	13	3	6	41
Product Development	8	8	6	9
Packaging	8	11	8	2
Industrial Relations	4	3	5	4
Other	13	8	14	23
No Answer	1	1	1	4

Communications, as might be expected, was listed most often as a member's operating area. This was followed by sales promotion and marketing.

TABLE 18

BPAA MEMBERS HOLDING DEGREES

	1982	1980	1978	1968
Masters or higher	13%	13%	12%	10%
Bachelors	68	66	50	57
Associate or no degree	18	19	18	—
CBC Certification	24	*	*	*
No Answer	1	2	20	33

*Not on previous surveys

Better than 8 out of 10 members have an undergraduate degree or higher. This is up slightly from the 1980 study. One-fourth of those responding hold the CBC designation.